

Warrant Committee FY06 Meeting Minutes
May 17, 2006
7:30 p.m. CHENERY MIDDLE SCHOOL
COMMUNITY ROOM

Handout(s) distributed tonight are:

1. *FY06 Financial Impact of changes in Pay & Classification Plan*
2. *FY06 Position Classification & Compensation Plan for ATM on 5-22-06*

Member(s) absent: Hofmann

Also present: Town Administrator Tom Younger, Assistant Town Administrator Jeffrey Conti, Town Accountant Barbara Hagg,

WC Chair Jones called the meeting to order at 7:30 PM.

Minutes of 5/10/06

The minutes of the meeting was discussed and corrected. After changes, they were approved by the Committee.

Personnel Classification Article

Joe Griffin from the Personnel Board along with the Town HR Director Diane Jenkins were present to discuss the article to be presented to ATM on 5-22-06. 10 positions were changed on the plan. Resident Engineer, Assistant Town Accountant, Payroll Technician, Building Services custodian, Library technician, Administrative Assistant in Community Development, Senior Planner, DPW Highway Operations Manager downgrade, Library Assistant, & Driver were all the positions impacted with a bottom line cost of \$8,000. Chair Jones asked about the process for these being done. Jenkins explained that this is a continuous process in any HR department. Positions are graded by an outside firm on a point basis to avoid appearances of favoritism or bias. Member Allison asked about the process of advertising for positions. Jenkins explained that the town first looks at internal candidates. There are no differences in benefits between management and non management. The key ingredient for benefits is full time vs. part time. Federal grants can absorb the cost of fringe benefits but not state grants.

Member Brusch was concerned about the fact that these changes were enacted within the past year and are really already complete and the reason for bringing this to TM after the fact appears inconsistent. Member Curtis does not feel that the WC should be overseeing the responsibilities of the Personnel Board but

does see the benefit of having the HR director report this to WC. Mr. Griffin explained that the original personnel plan was voted by TM and we are really just voting changes to the TM original plan. Member Allison would like to see something presented to TM on a “build or per capita basis” explaining how these changes impact the budget. Chair Jones would like to see a copy of the impact sheet being presented to WC in advance of TM. The TM article does not call for a recommendation by WC. Member Bruschi would like to see this sheet in January to show the annual changes.

Other

The BOS previously voted unanimously to change article 26 for 8.0% down to 6.5%. Although Floyd Carman, the Town Treasurer was not in attendance, Chair Jones stated that Treasurer Carman was concerned that this would have a negative impact on cash flow. Member Widmer asked whether residents should be looking at reverse mortgages as a first choice since the Town is not in the business of underwriting these loans. Prime is now 7 – 7 ¼ % and the effect by giving these benefits is to have the heirs reap the benefits of this incentive, not the current homeowner. In a time when we are incredibly strapped for funding and the benefit is available in the private market then he is unsure why we are doing this. Assistant TA Conti stated that the deferred taxes would be paid off when the senior either sold his/her home or died. Member Heigham stated that a regular taxpayer is charged 14% when they do not pay their taxes, whereas the residents who take advantage of deferred taxes are only paying 8%. Member Oates agrees that the Town is not in the banking business. Banks offer a variable interest rate. Member Widmer motion to oppose, Heigham second. Doblin and Solomon opposed to vote, Fitzgerald abstained. In favor 13 members. We are currently as generous as we can be under the income levels for this deferred tax per Member Widmer.

Calls have been received regarding the Benton library. One member of TM wants to amend the budget to open that building. Chair Jones asked the Library subcommittee to come up with the additional costs to open that building. Member Hobbs stated that it was the library decision to close this building with their current budget. Even if there were additional funds, this would not change that decision. The Trustees would decide how additional funds would be used. \$8K is the additional cost to open the building (absent personnel). Member White would like the opportunity cost of not selling the building also presented. Joanna Hilgenberg a TM member came into the meeting at this point. The neighbors would like to propose opening the building for one 5 hour period each week to continue circulating the collection. Ms. Hilgenberg stated that the

Trustees would be in favor of this provided the funds did not come from other town budgets. There were also some ideas of fundraising or a revolving fund or other creative thinking to keep this as a branch library. The space will definitely be needed when the library was renovated.

Younger stated that there are other areas of the budget that he would feel are a priority before the Benton library. Member Doblin would like to have the Sunday hours restored first. Ms. Hilgenberg was not in attendance for any discussion of Sunday hours during the Library Trustee Meeting. Member Widmer stated that the Library, COA & Recreation were all provided smaller increases than other town budgets. Chair Jones stated that the Trustees have their own gift account that could accept gifts.

Member Heigham would like to propose a motion to oppose this. Member Brusch stated that the library has their own grant funds that exceed \$5K that they could use for this purpose if they wish to. There are many items in this budget that have been cut including the Payson Park Music Festival. Member Curtis stated that the voters have given a clear mandate 70/30 not to raise taxes. Member Paolillo agreed with Member White that a study of opportunity costs needs to be done. Member Callanan stated that "end runs" on the budget by special interest groups is difficult. Again Member Heigham made a motion to have the WC disapprove any motion on the floor of TM to amend the library budget for the purpose of keeping the Benton Branch open. Seconded by Paolillo. School Chair Gibson feels that neighborhood groups should have a voice. Member Curtis asked the utility of taking such a motion when we have not used free cash. Chair Jones stated that both the School and Library have their own independent source of funds that they have not used. Member Widmer is not opposed to the library reallocating funds but the decision for the long term use of the Benton Library has to be looked at. All in favor except one abstention School Chair Gibson.

Member Brusch asked for an accounting for the library grants. Member Brusch asked about the WC position on reserve funds. Member Heigham made a motion to have no further appropriation from Free Cash in the FY07 budget. Member Widmer explained that we have a multiple year problem with our operating budgets. It is an illusion to believe that we can draw on this one time revenue to continue ongoing spending. He believes that the 50% use of free cash is a reasonable. Member Doblin was unwilling to pre-judge any motion that might be made on the floor of Town Meeting, including one that might use a limited amount of free cash, subject to the reserve policy.

Motion of Member Heigham amended by Member Heigham: Moved that we oppose any effort at already scheduled TMs to use further free cash to balance the budget, Callanan seconded. All in favor except Gibson and Doblin that are opposed to motion.

Motion to adjourn by Member Heigham at 8:50 p.m.